



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Ordinance No. 1858 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 13.20 – Electrical Service – by Repealing and Reenacting Section 13.20.175, 'Schedule ECA – Energy Cost Adjustment,' in its Entirety"

MEETING DATE: May 2, 2012

PREPARED BY: City Clerk

RECOMMENDED ACTION: Motion waiving reading in full and (following reading by title) adopting the attached Ordinance No. 1858.

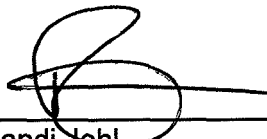
BACKGROUND INFORMATION: Ordinance No. 1858 entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 13.20 – Electrical Service – by Repealing and Reenacting Section 13.20.175, 'Schedule ECA – Energy Cost Adjustment,' in its Entirety," was introduced at the regular City Council meeting of April 18, 2012.

ADOPTION: With the exception of urgency ordinances, no ordinance may be passed within five days of its introduction. Two readings are therefore required – one to introduce and a second to adopt the ordinance. Ordinances may only be passed at a regular meeting or at an adjourned regular meeting; except for urgency ordinances, ordinances may not be passed at a special meeting. Id. All ordinances must be read in full either at the time of introduction or at the time of passage, unless a regular motion waiving further reading is adopted by a majority of all council persons present. **Cal. Gov'f Code § 36934.**

Ordinances take effect 30 days after their final passage. **Cal. Gov'f Code § 36937.**
This ordinance has been approved as to form by the City Attorney.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.



Randi Juhl
City Clerk

RJ/jmr
Attachment

APPROVED:



Konrad Bartlam, City Manager

ORDINANCE NO. 1858

AN ORDINANCE OF THE LODI CITY COUNCIL AMENDING
LODI MUNICIPAL CODE CHAPTER 13.20 – ELECTRICAL
SERVICE – BY REPEALING AND REENACTING SECTION
13.20.175, “SCHEDULE ECA – ENERGY COST
ADJUSTMENT,” IN ITS ENTIRETY

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BE IT ORDAINED BY THE LODI CITY COUNCIL AS FOLLOWS:

SECTION 1. Lodi Municipal Code Section 13.20.175, “Schedule ECA – Energy Cost Adjustment,” is hereby repealed and reenacted in its entirety to read as follows:

APPLICABILITY:

This schedule is applicable to all electric customers served by the City of Lodi. Each customer shall pay the applicable rate plus an Energy Cost Adjustment (ECA) for each kilowatt-hour (kWh) delivered to the customer. The adjustment shall be the product of the total kilowatt-hours (kWh) for which the bill is rendered times the ECA amount per kWh.

The purpose of the ECA is to adjust for increases/decreases to the City of Lodi’s wholesale energy costs. This adjustment provides a mechanism to recover increased costs for wholesale energy or to lower collections when costs decrease below the base charge level.

RATES:

Effective July 6, 2007, the ECA billing factor for any given month shall be calculated as follows:

$$ECA = \frac{(a) + (b) - (c)(d+f) - (9)}{(e)}$$

Where:

(a) equals the amount the City of Lodi is actually charged by the Northern California Power Agency for the billing month, including adjustments for prior billing periods, less any third party revenue credits.

(b) equals the City of Lodi’s estimated costs related to the acquisition of wholesale power, both financial and physical, procured directly by the City for the billing month, including adjustments for prior billing periods.

(c) equals the difference between actual retail energy sales and projected sales levels for the month which is two (2) months prior to the billing month.

(d) equals the ECA billing factor for the month which is two (2) months prior to the billing month.

(e) equals the forecast of projected retail energy sales for the billing month.

(9) equals the baseline energy cost for the City of \$0.0831.

The City of Lodi will recalculate the ECA each month, and resulting amount shall be automatically implemented for bills rendered during the following billing month. The ECA shall not be discounted.

SCHEDULE I-1 FIXED ECA OPTION:

Customers must elect this option prior to the start of the twelve-month cycle (July-June) and must be billed for the entire twelve months under this option. Customers may opt out in the May prior to the next twelve-month billing period.

The City of Lodi will calculate a fixed ECA based on projected sales divided by the budgeted NCPA All Resource Bill for the upcoming twelve-month period (July-June) minus eight point three one (8.31) cents. The resulting amount shall be automatically implemented for bills rendered during the eleven billing months beginning in July and ending in May. The June billing shall include a true-up for the actual ECA billed in the same eleven-month period and the actual ECA for the month of June.

SECTION 2. No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.


SECTION 3. Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

SECTION 4. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.


SECTION 5. This ordinance shall be published pursuant to law and shall become effective 30 days from the date of passage and adoption.

SECTION 6. The amended Schedules referenced above shall be effective on applicable electric utility billings prepared by the City of Lodi on or after July 1, 2012, or the first date allowable under State law.

Approved this 2nd day of May, 2012


JOANNE MOUNCE
MAYOR

ATTEST:


RANDI JOHL
City Clerk

State of California
County of San Joaquin, ss.

I, Randi Johl, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1858 was introduced at a regular meeting of the City Council of the City of Lodi held April 18, 2012, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held May 2, 2012, by the following vote:

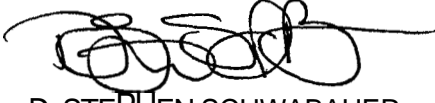
AYES: COUNCIL MEMBERS – Hansen, Johnson, Katzakian, and Nakanishi
NOES: COUNCIL MEMBERS – Mayor Mounce
ABSENT: COUNCIL MEMBERS – None
ABSTAIN: COUNCIL MEMBERS – None

I further certify that Ordinance No. 1858 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.



RANDI JOHL
City Clerk

Approved to Form:



D. STEPHEN SCHWABAUER
City Attorney